

Message Text

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ORIGIN DLOS-09

INFO OCT-01 EUR-12 ISO-00 ACDA-12 AGRE-00 AID-05
CEA-01 CEQ-01 CG-00 CIAE-00 COME-00 DODE-00
DOTE-00 EB-08 EPA-01 SOE-02 DOE-15 FMC-01 TRSE-00
H-01 INR-10 INT-05 IO-13 JUSE-00 L-03 NSAE-00
NSC-05 NSF-01 OES-09 OMB-01 PA-01 PM-05 SP-02
SS-15 ICA-11 /150 R

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APPROVED BY D/LOS:RSKATZ
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FM SECSTATE WASHDC
TO AMEMBASSY PARIS PRIORITY

C O N F I D E N T I A L STATE 184779

E.O. 11652: GDS

TAGS: PLOS

SUBJECT: FRENCH DISAGREEMENT WITH THE US-SOVIET QUOTA/
ANTI-MONOPOLY CLAUSE FOR DEEP SEABED MINING

REFERENCE: A) STATE 178263 B) DUNCAN-KATZ TELCON
1. FOR YOUR INFORMATION, FOLLOWING IS THE TEXT OF THE
QUOTA/ANTI-MONOPOLY TEXT WHICH THE US AND THE SOVIETS
AGREED TO IN 1977. THE BRACKETED SENTENCE IS THE
ADDITION THE FRENCH SAY THAT THEY WOULD REQUIRE BEFORE
THEY COULD JOIN THIS AGREEMENT.

BEGIN TEXT:

QUOTA AND ANTI-MONOPOLY PROVISION (AMENDMENTS TO EVENSEN
TEXT OF 11 JUNE 1977, 3RD REVISION)

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(1) RETAIN THE FOLLOWING PARAGRAPH IN ARTICLE 9:

"9(1)(F) ENHANCING OPPORTUNITIES FOR ALL STATES
PARTIES, IRRESPECTIVE OF THEIR SOCIAL AND ECONOMIC
SYSTEMS OR GEOGRAPHICAL LOCATION, TO PARTICIPATE IN THE
DEVELOPMENT OF THE RESOURCES OF THE AREA AND PREVENTING
MONOPOLIZATION OF THE EXPLORATION AND EXPLOITATION OF THE

RESOURCES OF THE AREA.

(2) REDRAFT PARAGRAPH 8(BIS) (C), ANNEX I, AS
FOLLOWS:

"(C) ONCE IT IS ESTABLISHED THAT THE CONDITIONS
REFERRED TO IN SUBPARAGRAPH (B) ABOVE ARE MET, THE
AUTHORITY SHALL DETERMINE WHETHER MORE THAN ONE APPLICA-
TION HAS BEEN RECEIVED WITHIN THE PRECEDING TIME PERIOD
AS PROVIDED IN SUBPARAGRAPH (A) ABOVE IN RESPECT OF SUB-
STANTIALLY THE SAME AREA AND CATEGORY OF MINERALS AND
WHETHER THE GRANTING OF A CONTRACT WOULD BE IN CONFORMITY
WITH THE PROVISIONS OF ARTICLE 9(2) AND SUBPARAGRAPHS
8(BIS)(G) AND 8(BIS)(1) OF THIS ANNEX AND THE RELEVANT
DECISIONS OF THE AUTHORITY IN IMPLEMENTATION THEREOF.
IF NO COMPETING APPLICATION HAS BEEN RECEIVED, AND IF
THE GRANTING OF A CONTRACT WOULD BE IN CONFORMITY WITH
ARTICLE 9(2) AND SUBPARAGRAPHS 8(BIS)(G) AND 8(BIS)(1)
OF THIS ANNEX THE AUTHORITY SHALL WITHOUT DELAY ENTER
INTO NEGOTIATIONS WITH THE APPLICANT WITH A VIEW TO
CONCLUDING A CONTRACT."

(3) REDRAFT PARAGRAPH 8(BIS)(G) OF ANNEX I AS
FOLLOWS:

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"(G) IF THE AUTHORITY RECEIVES WITHIN THE APPLICABLE
TIME PERIOD AS PROVIDED IN SUBPARAGRAPH (A) ABOVE MORE
THAN ONE APPLICATION IN RESPECT OF SUBSTANTIALLY THE
SAME PART OF THE AREA AND CATEGORY OF MINERALS, OR IF
THE APPLICATIONS RECEIVED WITHIN THAT TIME PERIOD CANNOT
ALL BE ACCOMMODATED WITHIN THE PRODUCTION LIMITS
ESTABLISHED IN ARTICLE 9(2), SELECTION FROM AMONG THE
APPLICANTS SHALL BE MADE ON A COMPARATIVE BASIS. IN
ACCORDANCE WITH SUBPARAGRAPHS (C) AND (D), THE AUTHORITY
SHALL ENTER INTO NEGOTIATIONS WITH THE APPLICANTS IN
ORDER TO MAKE ITS SELECTION ON THE BASIS OF A COMPARA-
TIVE CONSIDERATION OF THEIR APPLICATIONS AND QUALIFICA-
TIONS. IN CONDUCTING SUCH NEGOTIATIONS, THE AUTHORITY
SHALL TAKE INTO ACCOUNT THE NEED TO PROVIDE FOR ALL
STATES PARTIES, IRRESPECTIVE OF THEIR SOCIAL AND
ECONOMIC SYSTEMS OR GEOGRAPHICAL LOCATIONS, OPPORTUNITIES
TO PARTICIPATE IN THE DEVELOPMENT OF THE RESOURCES IN
THE AREA AND THE NEED TO PREVENT MONOPOLIZATION OF SUCH
ACTIVITIES.

(CONSEQUENTLY, IF ONE OF THE APPLICATIONS IS SUBMIT-
TED OR SPONSORED BY A STATE PARTY WHICH HAS NOT YET

RECEIVED A CONTRACT AND ANOTHER ONE SUBMITTED OR SPONSORED BY A STATE PARTY WHICH HAS ALREADY RECEIVED TWO CONTRACTS OR MORE, THE AUTHORITY GIVES PREFERENCE TO THE APPLICATION OF THE STATE PARTY WHICH HAS NOT YET OBTAINED ANY CONTRACT.) THE AUTHORITY SHALL DETERMINE WITH REGARD TO EACH SUCH APPLICATION WHETHER IT IS SUBMITTED OR SPONSORED BY A STATE PARTY WHICH HAS ALREADY BEEN GRANTED THREE CONTRACTS FOR EXPLORATION AND EXPLOITATION OF SITES NOT RESERVED PURSUANT TO ANNEX I, PARAGRAPH 8(BIS)(J) WITHIN A CIRCULAR AREA OF 400,000 SQUARE KILOMETERS, WHICH IS CENTERED UPON A POINT SELECTED BY THE APPLICANT WITHIN THE REQUESTED ADDITIONAL SITE. IF ONE OF THE APPLICATIONS IS FROM SUCH A STATE PARTY, THE AUTHORITY SHALL GIVE A PREFERENCE

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TO AN APPLICATION AMONG THEM SUBMITTED OR SPONSORED BY A STATE PARTY WHICH HAS NOT YET BEEN GRANTED TWO CONTRACTS WITHIN THE PART OF THE AREA UNDER CONSIDERATION. IN DETERMINING THE NUMBER OF CONTRACTS ATTRIBUTABLE TO A STATE PARTY FOR PURPOSES OF THIS SUBPARAGRAPH, CONTRACTS OF CORPORATIONS OR CONSORTIA SHALL BE COUNTED ON A PRO RATA BASIS AS THE CONTRACTS OF THOSE STATES PARTIES WHICH SPONSOR THE APPLICATIONS OF SUCH CORPORATIONS OR CONSORTIA. WITHOUT PREJUDICE TO THE ABOVE-MENTIONED PROVISIONS OF THIS SUBPARAGRAPH, THE AUTHORITY MAY ALSO TAKE INTO ACCOUNT THE NEED TO GIVE REASONABLE PRIORITY TO APPLICANTS WHO ARE READY TO ENTER INTO SUCH JOINT ARRANGEMENTS WITH THE ENTERPRISE AND DEVELOPING COUNTRIES AS REFERRED TO IN SUBPARAGRAPHS (I) AND (J) (III) BELOW. ONCE THE SELECTION IS MADE, THE AUTHORITY SHALL ENTER INTO NEGOTIATIONS WITH THE SELECTED APPLICANT OR APPLICANTS ON THE TERMS OF A CONTRACT IN ACCORDANCE WITH SUBPARAGRAPHS (C) AND (D) ABOVE."

(4) INCLUDE THE FOLLOWING PARAGRAPH 8(BIS)(I):

"WHEN CONSIDERING AN APPLICATION FOR A CONTRACT FOR CONDUCT OF ACTIVITIES IN THE AREA SUBMITTED OR SPONSORED BY ANY STATE PARTY, THE AUTHORITY SHALL DETERMINE WHETHER CONCLUSION OF THE CONTRACT WOULD ALLOW SUCH STATE PARTY OR PERSONS SPONSORED BY IT TO HOLD CONTRACTS FOR THE EXPLORATION AND EXPLOITATION OF MINE SITES NOT RESERVED PURSUANT TO ANNEX I, PARAGRAPH 8 BIS(J), WHICH IN AGGREGATE SIZE CONSTITUTE 3 OF THE TOTAL SEABED AREA WHICH IS NOT RESERVED FOR THE ENTERPRISE OR

DEVELOPING COUNTRIES AS PROVIDED FOR IN ANNEX I, PARAGRAPH 8(BIS)(J), OR OTHERWISE WITHDRAWN BY THE

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TECHNICAL COMMISSION FROM ELIGIBILITY FOR EXPLORATION OR EXPLOITATION PURSUANT TO ARTICLE 31(2)(XI). IF THE AUTHORITY MAKES AN AFFIRMATIVE DETERMINATION IN THIS REGARD, THE COUNCIL MAY DENY THE APPLICATION AND MAY REFRAIN FROM GRANTING THE STATE PARTY OR PERSONS IT SPONSORS ANY ADDITIONAL CONTRACTS UNLESS OR UNTIL THE STATE PARTY DEMONSTRATES TO THE COUNCIL THAT THE AWARD OF SUCH AN ADDITIONAL CONTRACT WOULD NOT PERMIT IT OR PERSONS SPONSORED BY IT TO MONOPOLIZE EXPLORATION AND EXPLOITATION OF RESOURCES IN THE AREA OR TO PRECLUDE OTHER STATES PARTIES FROM ACTIVITIES IN THE AREA. FOR THE PURPOSES OF THE STANDARD SET FORTH IN THIS SUB-PARAGRAPH, CONTRACTS GRANTED TO CORPORATIONS OR CONSORTIA SHALL BE COUNTED ON A PRO RATA BASIS AS THE CONTRACTS OF THOSE STATES PARTIES WHICH SPONSOR THE APPLICATIONS OF SUCH CORPORATIONS OR CONSORTIA."

END TEXT.

2. WOULD APPRECIATE, YOUR SENDING TO D/LOS A COPY OF AMBASSADOR'S LETTER TO FRENCH FOREIGN MINISTER ON QUOTA/ANTI-MONOPOLY. VANCE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SEABED, MINING, MONOPOLIES
Control Number: n/a
Copy: SINGLE
Draft Date: 21 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE184779
Document Source: CORE
Document Unique ID: 00
Drafter: RSKATZ:JM
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780300-0678
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780733/aaaabbio.tel
Line Count: 197
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 3fde146f-c288-dd11-92da-001cc4696bcc
Office: ORIGIN DLOS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
Reference: 78 STATE 178263
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Review Exemptions: n/a
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TAGS: PLOS, EMIN, UR, US
To: PARIS
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vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/3fde146f-c288-dd11-92da-001cc4696bcc
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